

COUNTIES OF POTTER	\$
AND RANDALL	\$
CITY OF AMARILLO	\$

On October 12, 2011, the Comprehensive Plan Implementation Advisory Committee met in a scheduled session at 12:00 P.M. in Room 303 on the third floor of City Hall, 509 East 7th Avenue, Amarillo, Texas, with the following members present:

VOTING MEMBERS	PRESENT	NO. MEETINGS HELD	NO. MEETINGS ATTENDED
Bill Chudej	Yes	6	4
Leon Church	Yes	6	5
Bob Juba, Chair	Yes	5	3
Wes Knapp	Yes	6	6
Don Sanders, Vice Chair	Yes	6	6
Eddie Scott	No	6	3
Howard Smith	Yes	6	6
Dana Walton	Yes	6	5
Milford Burrell	Yes	3	3

Kelley Shaw, Planning Director  
Michael Rice, Public Works Director  
Van Hagan, Assistant Public Works Director

George Oswald, Espey Consultants, Inc.  
Other Espey Consultants representatives

Chairman Bob Juba opened the meeting, established a quorum, and conducted the consideration of the following items beginning with ITEM 1.

ITEM 1: Approve the minutes of the Committee's September 14, 2011 meeting

Mr. Juba asked if there were any questions on the previous meeting's minutes? Hearing none, a motion was made, seconded, and the minutes were approved unanimously.

ITEM 2: Discuss and consider recommendation to proceed with the public participation phase to establish a Drainage Utility

Chairman Juba invited Mr. Shaw to start the discussion regarding the Drainage Utility. Mr. Shaw stated that this was the only item on the agenda today as he wanted the Committee to have ample time to discuss any aspects of the drainage utility related information that had previously been presented. Mr. Shaw then asked Michael Rice, Public Works Director, to continue the discussion. Mr. Rice stated that the focus of today's discussion was to answer any questions that the Committee may have and to solicit a recommendation from the Committee on proceeding with the public participation phase of the Drainage Utility process. Mr. Rice stated that they were not asking the Committee to recommend any specific rate.

Mr. Smith asked Mr. Rice to further explain the method of calculating a residential or commercial rate. Mr. Rice explained that it is based on a specific equivalent residential unit (ERU) and that properties are only charged for the area that discharges water (leaves the property) to the City's system. Mr. Rice said the details of how the billing occurs and how someone with questions of a charge were not worked out at this time.

Ms. Walton asked what was Lubbock's rate when first implemented and how long it took to get to where it is now? Mr. Oswald, Espey Consultant replied that he was not certain but thought it was around \$2/month but obviously has increased substantially. Mr. Juba asked if anyone knew what the rate being discussed would generate and how that would translate into an equivalent increase in property taxes? It was roughly estimated to be around a 16% property tax increase to generate the same revenue. However, Mr. Oswald reminded the Committee that the Drainage Utility revenue stream could only be used on drainage related projects unlike the general revenue created by ad valorem taxes.

Mr. Shaw asked about uses such as Apartments and would they be charged residential or commercial rates? Mr. Oswald stated that Apartments would be charged as a commercial use as it is a money making enterprise.

Mr. Juba asked what have other cities experienced as far as rate increases since instituting a drainage utility. Mr. Oswald replied that most other Cities are somewhere around double what they began with and that Lubbock was the exception to the norm as related to increases in the drainage utility rate. Mr. Oswald then discussed several scenarios of rates, projects, and bond issue possibilities. Mr. Knapp asked about the time needed to fund the list of projects, given the rate being discussed, already identified. Mr. Oswald said it would not cover everything but said you have to look at it as an ongoing "slinky" type progression as far as building revenue to cover debt service payments then issuing more debt as necessary.

Mr. Sanders stated that there is sensitivity to timing of any type of fee increase to the public, but that things need to be done sometime. Mr. Knapp agreed that there is obviously a need for projects to be done and there currently is no way to fund it through normal procedures and that this needs to be discussed further to hear the public's comments.

Mr. Burell asked if there was any other path available to produce a revenue stream for such projects? Mr. Oswald said there are others but they get back ultimately to property taxes and then you have the issues mentioned earlier.

Mr. Juba asked if there was a motion to recommend to move the process forward? Mr. Sanders motioned to recommend proceeding forward with the public participation phase to establish a Drainage Utility. Mr. Church seconded the motion. The motion was passed unanimously.

### ITEM 3: Public Forum

Chairman Juba asked for public comments. Hearing none, the meeting was adjourned.

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Kelley Shaw  
Planning Director